



ORIGINAL

## BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS**

MIKE GLEASON, CHAIRMAN  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE

Arizona Corporation Commission

**DOCKETED**

JAN 09 2008

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AZ CORP COMMISSION  
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IN THE MATTER OF THE APPLICATION OF  
GLOBAL WATER - SANTA CRUZ WATER  
COMPANY UNDER A.R.S. § 40-252 TO MODIFY  
DECISION NO. 67830 TO ELIMINATE THE  
REQUIREMENT TO ACQUIRE CERTAIN  
WELLS

Docket No. **W-20446A-08-0020****APPLICATION**

Global Water - Santa Cruz Water Company ("Santa Cruz") respectfully requests that the Commission adopt an order amending Decision No. 67830 (May 5, 2005) to eliminate the requirement to obtain ownership of two specific wells. Obtaining ownership of the wells is not prudent at this time, and Santa Cruz has substantial excess capacity, and also has numerous additional wells planned for the future. In support of this application, Santa Cruz states:

**I. Description of Applicant.**

1. Santa Cruz, or its predecessors, received Certificates of Convenience and Necessity (CC&N) from the Commission in Decision No. 61943 (September 17, 1999); Decision No. 66394 (October 6, 2003); Decision No. 67240 (September 23, 2004); Decision No. 67830 (May 5, 2005); and Decision No. 68448 (February 2, 2006) and also received an Order Preliminary for the "387 District" areas in Decision No. 68498 (February 23, 2006).<sup>1</sup> In Decision No. 69920 (September 27, 2007), the Commission approved the transfer of these CC&Ns to Santa Cruz.

2. As of December 31, 2007 Santa Cruz serves 15,717 customers.

<sup>1</sup> For information regarding the current status of the Order Preliminary, see Docket No. SW-0357A-07-0305.

3. The management contact for Santa Cruz is:

Mr. Graham Symmonds  
Senior Vice President  
Global Water Management  
22601 North 19<sup>th</sup> Avenue, Suite 210  
Phoenix, Arizona 85027.  
(623) 580-9600.

Santa Cruz's attorneys are:

Michael W. Patten  
Timothy J. Sabo  
Roshka DeWulf & Patten, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004  
(602) 256-6100

All data requests or other requests for information should be directed to:

Michael W. Patten  
Timothy J. Sabo  
Roshka DeWulf & Patten, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 8500

With a copy to:

Mr. Graham Symmonds  
Senior Vice President  
Global Water Management  
22601 North 19<sup>th</sup> Avenue, Suite 210  
Phoenix, Arizona 85027  
(623) 580-9600

## **II. Background.**

4. Decision No. 67830 required Santa Cruz (or its predecessor) to make all necessary corrections to ADWR registration records to reflect ownership of 7 specific wells.<sup>2</sup> Those wells were Neely West, Neely North, Neely East, Glennwilde # 1, Glennwilde # 2, Rancho Mirage # 1

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<sup>2</sup> Decision No. 67830 (May 5, 2005) at page 11, lines 6 through 13.

1 and Rancho Mirage # 2. Santa Cruz subsequently obtained ownership of all of these wells, except  
2 for Glennwilde # 2 and Rancho Mirage # 2. By Procedural Order, the deadline for obtaining  
3 ownership of Glennwilde # 2 and Rancho Mirage # 2 is September 30, 2007.<sup>3</sup>

4 5. Santa Cruz uses a three phase evaluation program for wells. Phase I involves a  
5 review of well records, while Phase II involves actual physical inspection and testing of the well.<sup>4</sup>  
6 Phase III is the actual rehabilitation of wells deemed suitable after Phase I and Phase II. At the  
7 time of the hearing, Glennwilde # 2 had been through Phase I. However, sufficient information  
8 did not exist at the time of the hearing to determine whether Glennwilde # 2 and Rancho Mirage #  
9 2 would be useful, as shown by the following testimony at the hearing by Santa Cruz's witness:

10 Q. And so at this point, at least with respect to the Glennwilde and Rancho  
11 Mirage wells, you don't have enough data to be able to conclude whether  
12 the wells would be worthwhile?

13 A. Correct....<sup>5</sup>

14 6. Later, the Phase II review showed that Glenwilde #2 was in poor condition  
15 structurally and testing revealed that it exceeded the Maximum Contaminant Level (MCL) for  
16 nitrates. Thus, this well was identified as being uneconomical and too technically challenging to  
17 rehabilitate. Subsequently, this well was abandoned (physically and administratively in  
18 accordance with ADWR procedures) and "platted over", i.e. the well site has not been reserved on  
19 the final plat – rather the well site is included in a residential lot. While it may be possible to  
20 amend ownership records at ADWR, as required by Decision 67830, to do so will require that  
21 Santa Cruz purchase a residential lot. Further, once abandoned, non-exempt wells cannot be used.

22 7. The other well, Rancho Mirage # 2, lies within an exception parcel to the Rancho  
23 Mirage development. As a result, it has yet to be released to Santa Cruz for continued evaluation.  
24 Presently, the well is operated by the Maricopa-Stanfield Irrigation and Drainage District  
25

26 <sup>3</sup> Procedural Order dated January 24, 2007 at 3.

27 <sup>4</sup> April 13, 2005 Hearing Transcript at 45-46.

<sup>5</sup> April 13, 2005 Hearing Transcript at 47.

1 (“MSIDD”) for agricultural use. However, it is anticipated that in the future, this well may be  
2 available as the area develops and agricultural land is taken out of service.

3 **III. Other wells owned by Santa Cruz.**

4 8. Of course, Santa Cruz has not limited itself to acquiring the specific wells required by  
5 the Commission in Decision 67830. Instead, Santa Cruz carefully evaluates all wells in the  
6 existing and any proposed service area, so as to acquire the most economical and efficient wells.  
7 Santa Cruz also plans for growth regionally. This means that specific wells are not dedicated  
8 solely to specific developments (or areas of the CC&N) but rather all wells are used collectively  
9 within regionally planned raw water supply and potable water distribution systems. By employing  
10 this methodology, Santa Cruz is afforded the maximum flexibility in determining the most  
11 expeditious and efficient sources of water to serve the CC&N. This practice also drastically  
12 increases the reliability, redundancy and operational availability of the raw water system.

13 9. Santa Cruz currently has five wells in potable production<sup>6</sup> with a combined capacity  
14 of 10,200 gallons per minute (GPM), or 14,688,000 gallons per day. Santa Cruz continuously  
15 reviews the production and demand statistics to ensure that potable water availability always  
16 exceeds demand. Santa Cruz has also obtained additional wells. A summary of existing and  
17 planned future wells is attached as Exhibit A.

18 10. A summary of Santa Cruz’s potable water demand is attached as Exhibit B. As can  
19 be seen, during the peak month, Santa Cruz had pumped 183,250,000 gallons. By definition, then,  
20 the “average day peak month flow” is 6,108,333 gallons. Santa Cruz’s current well capacity is  
21 10,200 gallons per minute (gpm), which can produce more than 14.6 million gallons per day.  
22 ADEQ calculates “firm capacity” by eliminating the largest water source, to ensure the system can  
23 withstand an unanticipated failure. Santa Cruz’s largest well is 2,800 gpm, leaving 7,400 gpm of  
24 firm production, which can produce more than 10.6 million gallons per day. This is substantially  
25

26 \_\_\_\_\_  
27 <sup>6</sup> Santa Cruz also maintains an inventory of wells for non-potable irrigation supplies to supplement  
recycled water use during periods when demand exceeds current recycled water production.

more than the peak month demand of 6.1 million gallons per day. Moreover, Santa Cruz also has 4 million gallons of storage (with an additional 2.5 million gallons constructed and awaiting AOC from ADEQ). Thus, total daily capacity (storage + firm production) is 14.6 million gallons, against a demand of only 6.1 million gallons.

11. Therefore, Santa Cruz has more than sufficient capacity for current demand. Indeed, with approximately 14.6 million gallons of production, Santa Cruz's current facilities can serve its existing customers plus an additional approximate 11,600 customers. Moreover, as shown on Exhibit A, Santa Cruz has additional wells that will come on line in the future, as well as additional storage already built and only awaiting final permitting. Among the future wells are two wells that are intended as substitutes for Glennwilde # 2 and Rancho Mirage # 2. The substitute wells are known as Homestead East and Homestead West. Deeds and well registration records showing that Santa Cruz owns these replacement wells are attached as Exhibit C. As noted in the Staff Report, the capacity of the Rancho Mirage and Glennwilde wells were not known at the time of the hearing.<sup>7</sup> Thus, Staff did not rely on any particular flow rate for those wells in its capacity analysis. A comparison of the capacity of the replacement wells to Rancho Mirage # 2 and Glennwilde # 2 follows:

Well	GPM	Replacement Well	GPM
Rancho Mirage # 2	Unknown	Homestead West	850
Glennwilde # 2	1,200	Homestead East	1,200

Thus, Santa Cruz has already acquired replacement wells for the two wells at issue. In addition, Santa Cruz exceeds and will continue to exceed operational and regulatory capacity requirements.

#### **IV. Public Interest Analysis.**

12. Glennwilde # 2 has been abandoned, exceeds the MCL for nitrates, and would be unduly expensive to convert into a potable water well. Moreover, its location in a residential plat

<sup>7</sup> Staff Report dated March 25, 2005 at 5.

1 makes it difficult to acquire. And even if it was acquired, inclusion in a residential plat and its  
2 present abandoned status at ADWR make it unlikely that it will ever be placed into production.

3 13. Rancho Mirage # 2 is currently serving the needs of a public agency – MSIDD. It  
4 makes no sense to deprive MSIDD of this resource when the well is not needed by Santa Cruz.  
5 Moreover, MSIDD’s use makes the well hard to obtain at this time.

6 14. As shown by Exhibits A and B, Glennwilde # 2 and Rancho Mirage # 2 are not  
7 needed. Forcing Santa Cruz to incur needless expense to acquire these wells is contrary to the  
8 public interest. Funds spent on the wells would be put to better use building infrastructure actually  
9 needed by customers – especially infrastructure related to water conservation and water recycling.  
10 Moreover, it is likely that funds spent on obtaining ownership of the wells would be recoverable  
11 from ratepayers in a rate case, because the wells were specifically required by a Commission order.

12 **V. Conclusion.**

13 15. Santa Cruz maintains an effective well evaluation program to identify wells that are  
14 suitable for inclusion in the potable production inventory in the context of a regionally planned and  
15 executed water system. This process weeds out wells that are unsuitable for rehabilitation, and  
16 also ensure that production exceeds demand. This is a key element in regional planning and  
17 maximizes redundancy and reliability.

18 16. Glennwilde #2 has been abandoned through ADWR. Rancho Mirage #2 is  
19 presently still being employed for agricultural purposes. Santa Cruz has identified and acquired  
20 direct substitutes for those wells, and indeed has identified 12,250 GPM of additional production  
21 to come on line by 2012. Santa Cruz substantially exceeds capacity requirements, and it is  
22 developing even more wells in the future. Thus, the production capacity proposed to be supplied  
23 by Rancho Mirage # 2 and Glennwilde # 2 will not be needed in the foreseeable future.

24 17. While Decision 67830 requires Santa Cruz to own specific wells, further analysis  
25 indicates there are more economical approaches to providing production. Moreover, it has proved  
26 more difficult than anticipated to acquire Glennwilde # 2 and Rancho Mirage # 2. Santa Cruz has  
27 obtained ownership of the other 5 wells specified in Decision No. 67830.

1 18. Glennwilde # 2 and Rancho Mirage # 2 are not necessary, and forcing Santa Cruz  
2 to buy them serves no purpose.

3 WHEREFORE Santa Cruz respectfully requests that the Commission:

4 A. Schedule a hearing on this Application as soon as possible (either before an  
5 Administrative Law Judge, or directly before the Commission at an open meeting);

6 B. Issue a final order:


7 1. Granting this Application;

8 2. Amending Decision No. 67830 under A.R.S. § 40-252 by deleting the  
9 requirement for Santa Cruz to obtain ownership of Glennwilde # 2 and  
10 Rancho Mirage # 2.

11 3. Granting such other and further relief as may be appropriate under the  
12 circumstances herein.

13  
14 RESPECTFULLY SUBMITTED this 9<sup>th</sup> day of January, 2008.

15 ROSKA DEWULF & PATTEN, PLC

16  
17 By 

18 Michael W. Patten  
19 Timothy J. Sabo  
20 One Arizona Center  
21 400 East Van Buren Street, Suite 800  
22 Phoenix, Arizona 85004  
23  
24  
25  
26  
27

1 Original + 13 copies of the foregoing  
2 filed this 9<sup>th</sup> day of January 2008, with:

3 Docket Control  
4 ARIZONA CORPORATION COMMISSION  
5 1200 West Washington  
6 Phoenix, Arizona 85007

7 Copies of the foregoing hand-delivered/mailed  
8 this 9<sup>th</sup> day of January 2008, to:

9 Lyn A. Farmer, Esq.  
10 Chief Administrative Law Judge  
11 Hearing Division  
12 Arizona Corporation Commission  
13 1200 West Washington  
14 Phoenix, Arizona 85007

15 Christopher C. Kempley, Esq.  
16 Chief Counsel, Legal Division  
17 Arizona Corporation Commission  
18 1200 West Washington  
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21 Director, Utilities Division  
22 Arizona Corporation Commission  
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Index to Exhibits

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

**Exhibit**

**Description**

- A. Summary of Production and Storage Capacity
- B. Potable Water Use Data
- C. Well Ownership Documents for Homestead East and Homestead West

# EXHIBIT

"A"

Santa Cruz Water Company Production and Storage				
<b>North</b>				
<b>Well Name</b>	<b>Well ID#</b>	<b>Facility</b>	<b>Flow (gpm)</b>	<b>Notes</b>
<b>CURRENT OPERATIONAL WELLS</b>				
Smith	612737	RED	1,050	In production
Vance	617338	RED	1,800	In production
Neely West	621407	RED	2,250	In production
Rancho Mirage	509941	Rancho Mirage	2,800	In production
Neely North	621406	Rancho Mirage and RED	2,300	In production
		Sub-total	10,200	
		Firm Capacity	7,400	
<b>FUTURE WELLS</b>				
Glennwide	624037	RED	2,000	Currently irrigation use only, est conversion to potable 12-2012
Neely East	621408	Rancho Mirage	2,000	Estimated Operation by 12-2009
Homestead West	624031	Rancho Mirage	850	Estimated Operation by 12-2008
Homestead East	624029	Rancho Mirage	1,200	Estimated Operation by 12-2011
Sorrento	609593	Rancho Mirage	2,500	Estimated Operation by 12-2009
	622119	Eagle Shadow	1,500	Estimated Operation by 12-2010
	622120	Eagle Shadow	1,000	Estimated Operation by 12-2011
Cortona	624041	Eagle Shadow	1,200	Estimated Operation by 12-2010
		Sub-total	12,250	

<b>Storage</b>			<b>MG</b>	
Rancho El Dorado ("RED")			3.0	In production
Rancho Mirage			2.5	3.5 MG at buildout, estimated operation 3-2008
Maricopa Meadows			0.5	In production
Maricopa Groves			0.5	In production
Eagle Shadow			0	Future 3.5 MG facility, estimated operation 12-2010
<b>Total</b>			<b>6.5</b>	
<b>Southwest Service Area</b>				
<b>Well Name</b>	<b>Well ID#</b>	<b>Facility</b>	<b>Flow (gpm)</b>	<b>Notes</b>
<b>Terrazo</b>				
Amarillo Creek East	612247	Terrazo	1,900	Operational
Sunset Canyon	612250	Terrazo	1,500	MSIDD still uses for ag - no eta
Amarillo Creek South	612249	Terrazo		Existing capacity 1,888 gpm. Utilized for irrigation use only.
Palomino Ranch South	625626	Terrazo		Utilized for irrigation use only
		Sub-total	3,400	
<b>Storage</b>				
Terrazo			<b>MG</b>	
			2.5	2.5 MG existing capacity, Site Expandable to 5.0 MG

**COMPANY NAME: Santa Cruz Water Company**

**Name of System**

**ADEQ Public Water System Number 11-131**

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-612737- Smith	100	1070	1000	20	8	1972
55-617336- Vance	250	1965	800	20	10	1973
55-621410 - Porter@	100	1000	400	20	10	1955
55-621408 - Neely East**	350	2000	1000	12	10	1955
55-621408 - Neely West	350	1980	700	12	10	1955
55-621406 - Neely North	400	2000	1000	12	10	1955
55-801069 - Cobblestone @	200	1280	660	12	10	1957
55-624037 - Glennwilde @	N/A	1380	1992	19	N/A	1965
55-509941- Rancho Mirage	400	2800	1100	16	N/A	1985
55-622132 - Maricopa Meadows@	UNK	1400	600	20	4	UNK
55-612741 - Maricopa Groves #	N/A	1200	1675	20	N/A	UNK
55-612247 - Amarillo Creek East	300	1800	1000	18	10	1973
55-612250 - Sunset Canyon **	300	1500	1200	16	10	1978

\*\* Well undergoing rehabilitation

# Not Operational

@ construction/irrigation use only

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>
None		

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
150 HP	4	740	0
40 HP	4		
75 HP	4		
50 HP	4		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
500,000	2	5,000	4
1,500,000	2		

# EXHIBIT

"B"

<b>COMPANY NAME: Santa Cruz Water Company – Potable Water Use Data+</b>	
<b>Name of System</b>	<b>ADEQ Public Water System Number (if applicable)</b>

### **WATER USE DATA SHEET BY MONTH FROM NOVEMBER 2006 - 2007**

<b>MONTH/YEAR</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD (Thousands)</b>	<b>GALLONS PUMPED (Thousands)</b>	<b>GALLONS PURCHASED (Thousands)</b>
NOVEMBER	12,577	110,728	119,290	
DECEMBER	12,744	108,681	106,458	
JANUARY	12,836	84,191	94,053	
FEBRUARY	12,952	94,468	89,493	
MARCH	13,244	73,753	116,932	
APRIL	13,636	115,541	124,526	
MAY	13,828	115,002	147,187	
JUNE	14,223	157,957	183,250	
JULY	14,478	181,775	181,337	
AUGUST	14,689	170,097	162,658	
SEPTEMBER	14,914	156,209	171,476	
OCTOBER	15,247	154,585	155,958	
NOVEMBER	15,478	152,377	140,124	
<b>TOTALS →</b>		1,638,335	1,783,003	0

+Note there are no customers, and no water sold or pumped in the Southwest Service Area as of Dec 31, 2007

What is the level of arsenic for each well on your system? \_\_\_\_\_ mg/l

(If more than one well, please list each separately.)

Vance: 0.0077 mg/l

Neely North: 0.0074 mg/l

Neely West: 0.0059 mg/l

Smith: 0.0099 mg/l

Rancho Mirage: <0.010 mg/l

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

( X ) Yes

( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( X ) Yes

( ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( X ) Yes

( ) No

If yes, provide the GPCPD amount: 125

Note: If you are filing for more than one system, please provide separate data sheets for each system.

# EXHIBIT

"C"

# EXHIBIT C



Arizona Department of Water Resources  
Water Management Support Section  
P.O. Box 458 • Phoenix, Arizona 85001-0458  
(602) 771-8500 • (800) 352-8488  
www.azwater.gov

## Request to Change Well Information

- ❖ Review instructions prior to completing form in black or blue ink.
  - ❖ You must include with your Notice:
    - check or money order for any required fee(s)
  - ❖ Authority for fee: A.A.C. R12-15-151(B)(4)(a), A.R.S. § 45-113(B)
- \*\* PLEASE PRINT CLEARLY \*\***

FILE NUMBER

WELL REGISTRATION NUMBER

55-624031

### SECTION 1. REGISTRY INFORMATION

<b>Well Owner</b>		<b>Location of Well</b>					
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL CHI Construction Company		WELL LOCATION ADDRESS (IF ANY)					
MAILING ADDRESS 7001 N. Scottsdale Rd, Suite 2050		TOWNSHIP (N/S)	RANGE (E/W)	SECTION	160 ACRE	40 ACRE	10 ACRE
CITY / STATE / ZIP CODE Scottsdale, AZ 85253		4S	3E	24	SE 1/4	SE 1/4	SW 1/4
CONTACT PERSON NAME AND TITLE Roger Pryor		LATITUDE			LONGITUDE		
TELEPHONE NUMBER 480-483-0006		Degrees Minutes Seconds			Degrees Minutes Seconds		
FAX 480-922-2577		METHOD OF LATITUDE/LONGITUDE (CHECK ONE) <input type="checkbox"/> *GPS: Hand-Held					
		<input type="checkbox"/> USGS Quad Map <input type="checkbox"/> Conventional Survey <input type="checkbox"/> *GPS: Survey-Grade					
		*IF GPS WAS USED, GEOGRAPHIC COORDINATE DATUM (CHECK ONE)					
		<input type="checkbox"/> NAD-83 <input type="checkbox"/> Other (please specify):					
		COUNTY ASSESSOR'S PARCEL ID NUMBER				COUNTY WHERE WELL IS LOCATED	
		BOOK	MAP	PARCEL	Pinal		

### Type of Request (CHECK ONE)

- ☐ Change of Well Drilling Contractor (Fill out Section 2) ☒ Change of Well Ownership (Fill out Section 3) ☐ Change of Well Information (location, use, etc.) (Fill out Section 4)

### SECTION 2. REQUEST TO CHANGE WELL DRILLING CONTRACTOR (\$10 Fee Required)

\$10 FEE

- ♦ If drilling or abandoning a well, the Department must receive this request and issue authorization to the new drilling firm prior to the commencement of well drilling or abandonment.

<b>Current Well Drilling Contractor</b>		<b>New Well Drilling Contractor</b>	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL	
DWR LICENSE NUMBER		DWR LICENSE NUMBER	ROC LICENSE CATEGORY
TELEPHONE NUMBER	FAX	TELEPHONE NUMBER	FAX

### SECTION 3. STATEMENT OF CHANGE OF WELL OWNERSHIP (\$10 Fee Required)

\$10 FEE

- ♦ If this change pertains to more than one well and the names are the same, only one \$10 fee is required.

<b>Previous Well Owner</b>		<b>New Well Owner</b>	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL CHI Construction Company		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL Global Water - Santa Cruz Water Company	
MAILING ADDRESS 7001 N. Scottsdale Rd, Ste 2050		MAILING ADDRESS 21410 N. 19th Ave, Ste 201	
CITY / STATE / ZIP CODE Scottsdale, AZ 85253		CITY / STATE / ZIP CODE Phoenix, AZ 85027	
CONTACT PERSON NAME AND TITLE Roger Pryor		CONTACT PERSON NAME AND TITLE Graham Symmonds, SVP Compliance	
TELEPHONE NUMBER 480-483-0006	FAX 480-922-2577	TELEPHONE NUMBER 623-580-9600	FAX 623-580-9659

### SECTION 4. CHANGE OF WELL INFORMATION (No Fee Required)

NO FEE

**NOTE:** Applies only to wells that have already been drilled. For proposed wells, an amended Notice of Intent to Drill a Well must be filed.  
EXPLAIN

I HEREBY CERTIFY that the above statements are true to the best of my knowledge and belief.

TYPE OR PRINT NAME AND TITLE Scott Lee, Engineering Manager	SIGNATURE OF WELL OWNER Scott Lee	DATE 6/3/07
--	--------------------------------------	----------------



When recorded, return to:  
Andrew Abraham  
Burch & Cracchiolo, P.A.  
P.O. Box 16882  
Phoenix, AZ 85011



OFFICIAL RECORDS OF  
PINAL COUNTY RECORDER  
LAURA DEAN-LYTTLE

DATE/TIME: 03/08/07 1546  
FEE: \$16.00  
PAGES: 3  
FEE NUMBER: 2007-029192

### SPECIAL WARRANTY DEED

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CHI CONSTRUCTION COMPANY, an Arizona corporation ("Grantor"), does hereby convey to GLOBAL WATER-SANTA CRUZ WATER COMPANY, an Arizona corporation, the real property located in Pinal County, Arizona, more fully described as "Exhibit A" and "Exhibit B."

SUBJECT TO existing taxes, assessments, patent reservations, covenants, conditions, restrictions, reservations, rights of way, easements and declarations and other matters of record or to which reference is made in the public record; any and all conditions, easements, encroachments, rights-of-way, restrictions and other matters which a physical inspection, or accurate ALTA survey of the property would reveal; and the applicable zoning and use regulations of any municipality, county, state or the United States affecting the subject property.

Grantor binds itself and its successors to warrant the title against its acts and none other, subject to the matters above set forth.

DATED as of the 15<sup>th</sup> day of February, 2007.

GRANTOR:

CHI CONSTRUCTION COMPANY, an Arizona corporation

By:

Frank T. Davis, its Vice President

STATE OF ARIZONA

County of Maricopa

This instrument was acknowledged before me this 15<sup>th</sup> day of February, 2007, by Frank T. Davis, the Vice President of CHI Construction Company, an Arizona corporation, on behalf thereof.

*Susan M. Bergquist*  
Notary Public

My Commission Expires:

July 30, 2010

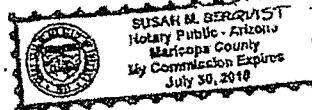


Exhibit A

**LEGAL DESCRIPTION  
WELL SITE IN PARCEL 13  
AT HOMESTEAD NORTH  
CITY OF MARICOPA, ARIZONA**

Tract B13 of the Final Plat for Parcel 13 at Homestead North, as recorded in Cabinet G, Slide 123, Official Records of Pinal County, Arizona, located in the South half of Section 24, Township 4 South, Range 3 East, of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

Containing 0.057 acres, more or less.



JMI & ASSOCIATES

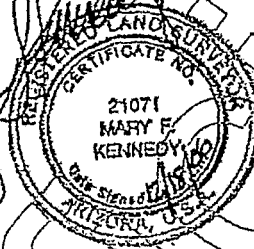
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12/18/06

Exhibit B  
**LEGAL DESCRIPTION**  
**WELL SITE IN PARCEL 18**  
**AT HOMESTEAD NORTH**  
**CITY OF MARICOPA, ARIZONA**

Tract D18 of the Final Plat for Parcel 18 at Homestead North, as recorded in Cabinet G, Slide 127, Official Records of Pinal County, Arizona, located in the South half of Section 24, Township 4 South, Range 3 East, of the Gila and Salt River Base and Meridian, Pinal County, Arizona.

Containing 0.054 acres, more or less.





Arizona Department of Water Resources  
Water Management Support Section  
P.O. Box 458 • Phoenix, Arizona 85001-0458  
(602) 771-8500 • (800) 352-8488  
www.azwater.gov

## Request to Change Well Information

- ❖ Review instructions prior to completing form in black or blue ink.
- ❖ You must include with your Notice:
  - > check or money order for any required fee(s)
- ❖ Authority for fee: A.A.C. R12-15-151(B)(4)(a), A.R.S. § 45-113(B)

\*\* PLEASE PRINT CLEARLY \*\*

FILE NUMBER

WELL REGISTRATION NUMBER  
55-624029

### SECTION 1. REGISTRY INFORMATION

<b>Well Owner</b>		<b>Location of Well</b>					
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL CHI Construction Company		WELL LOCATION ADDRESS (IF ANY)					
MAILING ADDRESS 7001 N. Scottsdale Rd, Ste 2050		TOWNSHIP (N/S) 4S	RANGE (E/W) 3E	SECTION 24	160 ACRE SE ¼	40 ACRE SE ¼	10 ACRE SE ¼
CITY / STATE / ZIP CODE Scottsdale, AZ 85253		LATITUDE Degrees Minutes Seconds "N"		LONGITUDE Degrees Minutes Seconds "W"			
CONTACT PERSON NAME AND TITLE Roger Pryor		METHOD OF LATITUDE/LONGITUDE (CHECK ONE) <input type="checkbox"/> *GPS: Hand-Held <input type="checkbox"/> USGS Quad Map <input type="checkbox"/> Conventional Survey <input type="checkbox"/> *GPS: Survey-Grade *IF GPS WAS USED, GEOGRAPHIC COORDINATE DATUM (CHECK ONE) <input type="checkbox"/> NAD-83 <input type="checkbox"/> Other (please specify):					
TELEPHONE NUMBER 480-483-0006	FAX 480-922-2577	COUNTY ASSESSOR'S PARCEL ID NUMBER BOOK MAP PARCEL			COUNTY WHERE WELL IS LOCATED Pinal		

### Type of Request (CHECK ONE)

- ☐ Change of Well Drilling Contractor (Fill out Section 2) ☒ Change of Well Ownership (Fill out Section 3) ☐ Change of Well Information (location, use, etc.) (Fill out Section 4)

### SECTION 2. REQUEST TO CHANGE WELL DRILLING CONTRACTOR (\$10 Fee Required)

\$10 FEE

- ♦ If drilling or abandoning a well, the Department must receive this request and issue authorization to the new drilling firm prior to the commencement of well drilling or abandonment.

<b>Current Well Drilling Contractor</b>		<b>New Well Drilling Contractor</b>	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL	
DWR LICENSE NUMBER		DWR LICENSE NUMBER	ROC LICENSE CATEGORY
TELEPHONE NUMBER	FAX	TELEPHONE NUMBER	FAX

### SECTION 3. STATEMENT OF CHANGE OF WELL OWNERSHIP (\$10 Fee Required)

\$10 FEE

- ♦ If this change pertains to more than one well and the names are the same, only one \$10 fee is required.

<b>Previous Well Owner</b>		<b>New Well Owner</b>	
FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL CHI Construction Company		FULL NAME OF COMPANY, ORGANIZATION, OR INDIVIDUAL Global Water - Santa Cruz Water Company	
MAILING ADDRESS 7001 N. Scottsdale Rd, Ste 2050		MAILING ADDRESS 21410 N. 19th Ave, Ste 201	
CITY / STATE / ZIP CODE Scottsdale, AZ 85253		CITY / STATE / ZIP CODE Phoenix, AZ 85027	
CONTACT PERSON NAME AND TITLE Roger Pryor		CONTACT PERSON NAME AND TITLE Graham Symmonds, SUP Compliance	
TELEPHONE NUMBER 480-483-0006	FAX 480-922-2577	TELEPHONE NUMBER 603-586-9600	FAX 603-586-9659

### SECTION 4. CHANGE OF WELL INFORMATION (No Fee Required)

NO FEE

NOTE: Applies only to wells that have already been drilled. For proposed wells, an amended Notice of Intent to Drill a Well must be filed.  
EXPLAIN

I HEREBY CERTIFY that the above statements are true to the best of my knowledge and belief.	
TYPE OR PRINT NAME AND TITLE Scott Lee, Engineering Manager	SIGNATURE OF WELL OWNER Scott Lee 6/2/07
	DATE 6/2/07



OFFICIAL RECORDS OF  
PINAL COUNTY RECORDER  
LAURA DEAN-LYTLE

When recorded, return to:  
Andrew Abraham  
Burch & Cracchiolo, P.A.  
P.O. Box 16882  
Phoenix, AZ 85011

DATE/TIME: 03/08/07 1546  
FEE: \$16.00  
PAGES: 3  
FEE NUMBER: 2007-029192

### SPECIAL WARRANTY DEED

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CHI CONSTRUCTION COMPANY, an Arizona corporation ("Grantor"), does hereby convey to GLOBAL WATER-SANTA CRUZ WATER COMPANY, an Arizona corporation, the real property located in Pinal County, Arizona, more fully described as "Exhibit A" and "Exhibit B."

SUBJECT TO existing taxes, assessments, patent reservations, covenants, conditions, restrictions, reservations, rights of way, easements and declarations and other matters of record or to which reference is made in the public record; any and all conditions, easements, encroachments, rights-of-way, restrictions and other matters which a physical inspection, or accurate ALTA survey of the property would reveal, and the applicable zoning and use regulations of any municipality, county, state or the United States affecting the subject property.

Grantor binds itself and its successors to warrant the title against its acts and none other, subject to the matters above set forth.

DATED as of the 15<sup>th</sup> day of February, 2007.

GRANTOR:

CHI CONSTRUCTION COMPANY, an Arizona corporation

By: Frank T. Davis, its Vice President

STATE OF ARIZONA

County of Maricopa

This instrument was acknowledged before me this 15<sup>th</sup> day of February, 2007, by Frank T. Davis, the Vice President of CHI Construction Company, an Arizona corporation, on behalf thereon.

Susan M. Bergquist  
Notary Public

My Commission Expires:

July 30, 2010

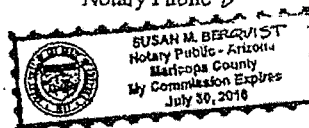
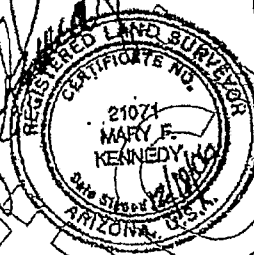


Exhibit A

LEGAL DESCRIPTION  
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